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October 25, 2006

FILED ELECTRONICALLY AND ORIGINAL VIA 1ST CLASS MAIL SERVICE

The Honorable Charles L.A. Terreni
Chief Clerk
South Carolina Public Service Commission
Post Office Drawer 11649
Columbia, South Carolina 29211

RE: Application of Wyboo Plantation Utilities, Inc. for Approval of New
Schedule of Rates and Charges for Water and Sewer Services
Docket No. 2005-13-WS, ELS File No. 1015-10306

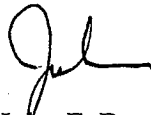
Dear Mr. Terreni:

Enclosed for filing please find the original and one copy (1) copy of the **Prefiled Testimony of Joe Maready** for filing on behalf of Wyboo Plantation Utilities, Inc. in the above-referenced matter. By copy of this letter, I am serving all parties of record in this proceeding and enclose my certificate of service to that effect.

Please stamp "received" the additional copy of this letter, and return in the enclosed envelope.

With kind regards, I am

Yours truly,



John F. Beach

JB/cr

Attachments

cc: all parties of record, w/a
Mr. Mark Wrigley, w/a
Mr. Joe Maready, w/a

THIS DOCUMENT IS AN EXACT DUPLICATE OF THE E-FILED COPY SUBMITTED TO THE COMMISSION IN ACCORDANCE WITH ITS ELECTRONIC FILING INSTRUCTIONS.

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-13-W/S

IN RE:

Application of Wyboo Plantation
Utilities, Inc. for adjustment of rates and
charges for the provision of water and
sewer service

DIRECT TESTIMONY OF
JOE MAREADY

1 **Q. WOULD YOU PLEASE STATE YOUR NAME AND ADDRESS?**

2 A. My name is Joe Maready and I reside at 161 Darby Way, West Columbia, SC
3 29170.

4 **Q. WOULD YOU PLEASE STATE YOUR EDUCATIONAL BACKGROUND**
5 **AND YOUR EXPERIENCE?**

6 A. I received a B. S. Degree in General Business from the University of North
7 Carolina, Chapel Hill. I have also taken thirty (30) hours of accounting and
8 accounting related courses at the University of South Carolina, Columbia, SC. I
9 was employed with the Public Service Commission for almost twenty- nine (29)
10 years. During that time I testified in excess of fifty (50) rate cases involving
11 electric, telephone, water, sewer, radio common carriers, general commodities,
12 bus and moving and storage companies. Since my retirement, I have testified
13 previously on five water/sewer utilities, on a selective basis, before this
14 Commission.

15 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

1 A. I was contracted by Mr. Mark Wrigley, CEO of Wyboo Plantation Utilities, Inc.
2 (hereinafter "Wyboo", the "Utility" or the "Company") to review Wyboo's
3 financial information, assist in the calculation and design of appropriate rates and
4 charges for this utility, and present the supporting financial records into evidence.

5 **Q. WOULD YOU PROCEED WITH THE INTRODUCTION OF THE**
6 **FINANCIAL RECORDS?**

7 A. Yes. The preliminary results of my study are set forth in the Application, and its
8 related Exhibits, which I would like to incorporate into my testimony by this
9 reference. My final results are set forth in the Exhibits attached to this testimony,
10 **Exhibits A, A-1, A-2 and B**, which I wish to incorporate into my testimony by
11 this reference. To the extent that the attached exhibits and my testimony modify
12 the conclusions set forth in the Application and its exhibits, I hereby modify the
13 Application and its exhibits to incorporate my final conclusions.

14 The test year in this case is the twelve months ending December 31, 2005.
15 I developed an operating margin by use of the Company's Income Taxes for
16 2005, which I viewed to be the most reliable data. The results of my study are set
17 forth on my Exhibit A, which consists of three (3) pages. Column (1) of this
18 exhibit shows the per-book financial operations. This column shows a variety of
19 figures wherein I have tried to display customers primarily by groups.
20 Lines 1 and 2 are Revenues for the Residential water and sewer Customers.
21 Line 3 begins with a group labeled "Commercial Customers". Note that there are
22 no amounts of revenues shown for some of these customers because they did not

1 pay their regular monthly bills based on Commission approved rates. These are
2 shown by “0” revenues.

3 Lines 4 through 55 are considered “Commercial”.

4 Lines 4 through 25 are businesses owned by The Villas, a Limited Liability
5 Corporation.

6 Lines 26 through 42 are other privately owned businesses. Note that there are
7 also customers who did not pay during the test year.

8 Lines 43 through 55 are “Wyboo” owned businesses.

9 Lines 56 through 59 is the Cedar Hills Mobile Home Park and Lines 60 through
10 63 is the Granada Mobile Home Park. Both of these parks are located in Sumter,
11 South Carolina. Each park has its separate utility owned water system but each
12 mobile home is served by individual septic tanks.

13 Line 64 shows “Pools – Residential”. There were thirteen (13) residential pools
14 throughout the neighborhood as of the end of the test period December 31, 2005.

15 Line 65 is for residential irrigation customers. There were ninety-three (93)
16 homes in the community that had irrigation for their home lawns as of the test
17 year ended December 31, 2005.

18 Lines 66 and 67 show Water and Sewer Taps that were prepaid during the test
19 year.

20 Line 68 shows Revenues billed the customers for reimbursement of Department
21 of Health and Environmental Control (DHEC) testing expenses.

22 Line 69 shows Returns and Allowances which is a deduction from total revenues.

23 These are for Insufficient Fund checks and refunds of prepayments.

1 Line 72 shows Total Operating Revenues of \$202,692
2 Lines 75 through 89 are the Operating Expenses of the company.
3 Line 95 shows the Operating Loss for the test year. On Operating Revenues of
4 \$202,692 and Operating Expenses of \$221,133 (Total Operating Expenses of
5 \$188,365 plus Interest of \$32,768), the utility had a loss of (\$18,441) for the test
6 year and an Operating Loss Margin of (9.10%) shown on Line 97.

7 **Q. WOULD YOU PLEASE EXPLAIN YOUR PRO FORMA AND**
8 **ACCOUNTING ADJUSTMENTS TO THESE NUMBERS?**

9 A. Yes. In the ensuing adjustments, I have attempted to maintain procedures
10 advanced by prior decisions of this Commission along with adjustments that
11 maintain the required standards of known and measurable All adjustments to per-
12 books are summarized in Exhibit A-1 and the work papers are shown in Exhibit
13 A-2 but I will briefly describe each one. The adjustments to the test year per book
14 figures for commercial customers are based on the assumption of one monthly
15 water and/or sewer charge per commercial customer, and not the customer's
16 actual Single Family Equivalents (SFEs), consistent with the utility's current
17 approved rates.

18 Adjustments (1) and (2) increase residential water and sewer customers based on
19 end-of-year customers. In Exhibit A, note that for Adjustments 1 and 2, the
20 values set forth in column (3) are computed based upon Wyboo's actual customer
21 count and its currently-tariffed rates. Column (1) is then deducted from the
22 amount in Column (3) to derive the amount in column (2). For instance, the
23 workpapers (Exhibit A-2) will show the following for the water adjustment: 334

1 customers times \$18.00 per month = \$6,012 X 12 months = \$72,144. Then,
2 deduct the per-book amount of \$70,527 equals an adjustment of \$1,617 shown in
3 column (2).

4 Adjustments (3) and (4) annualizes customers' revenues on businesses owned by
5 the Villas, LLC., that did not pay their approved rates during the test year. I have
6 imputed the total adjustments of \$1,936 for water and \$1,440 based on the
7 Commission's approved water and sewer rates and grouped these adjustments
8 together to save space.

9 Adjustments (5) and (6) imputes revenues for a customer who also did not pay
10 during the test year of \$216 for water and \$240 for sewer.

11 Adjustments (7) and (8) continues with customers in Wyboo Plantation who did
12 not pay during the test year. Revenues of \$516 for water and \$0.00 for sewer are
13 also imputed based on approved water and sewer rates.

14 Adjustments (9) and (10) annualizes Mobile Home revenues based on end-of-year
15 number of connections to the system.

16 Adjustment (11) annualizes irrigation customers throughout Wyboo. These are
17 for homes only and do not include Commercial customers. These are approved
18 rates based on \$10.00 per month for six months per year.

19 Adjustments (12) and (13) eliminates Water taps (\$31,545) and Sewer Taps
20 (\$7,850) that were prepaid during the test year. It is Commission's precedence to
21 take out tap fee revenues from total operating revenues for rate making purposes.
22 There are no expenses in the test year related to tap fee costs so the net of
23 revenues and expenses equals zero. It is the Company's contention that tap fees

1 and costs of installation should have no effect on present and future customer's
2 monthly water and sewer rates, consistent with the Commission's past practices.

3 Adjustments (14) eliminates DHEC Testing Revenues of \$9,852 that were
4 collected from the customers to cover the related expenses. Note that in
5 adjustment number (17) the expenses have also been deleted.

6 Adjustment (15) annualizes seven employees' salaries of \$223,194. Some of the
7 employees were part-time until May 2006, and many of the full-time employees
8 were underpaid. In order to address this problem, Wyboo made a major
9 adjustment to all company salaries as of May 1, 2006.

10 Adjustment (16) reduces Maintenance and Repairs by \$1,133 for the purchase of
11 five STEP system covers and equipment used for repairs. The Company's
12 proposed rate structure for STEP system maintenance is set forth in its Proposed
13 Schedule of Rate and Charges. Since the Company proposes a rate that will pass
14 these costs on to each individual STEP system customer, it is appropriate to
15 decrease the test year expenses by these amounts. Also, during the audit the ORS
16 Staff found that when some of the expenses were taken from the general ledger,
17 an amount was included twice of \$4,784. We are also deducting this amount for a
18 total adjustment of \$5,917.

19 Adjustment (17) removes DHEC Testing Expenses of \$12,066. Note that in
20 adjustment number (14), the revenue portion was also deducted.

21 Adjustment (18) annualizes depreciation on the company's asset. Included in
22 these assets is a water tank at a cost of \$380,000. This amount includes the
23 300,000 gallon tank, a pump station and a generator.

1 Adjustment (19) is actually a combination of three related adjustments. First, the
2 adjustment increases social security tax on the proposed salary increase in
3 adjustment (15). On the proposed increase of \$223,194 and a rate of 7.65%, taxes
4 are proposed to increase by \$17,075. Second, this adjustment decreases property
5 taxes by the \$284 that accrued in 2004 but was not paid until the test year. Third,
6 this adjustment eliminates property tax of \$4,153 on the company's office in
7 downtown Sumter that was paid by the utility. The lease between the utility and
8 the owner requires that the owner pay the property tax. The net effect of these
9 three adjustments is the \$12,638 reflected on my Exhibit A.

10 Adjustment (20), \$25,000, amortizes the estimated rate case expenses of \$50,000
11 over a two- year period. Wyboo will update this expense as of the date of the
12 hearing. The utility intends to reapply for consumption-based rates in
13 approximately 2 years, after the Company completes its installation of water
14 meters for all customers.

15 Adjustment (21) corrects "Interest" expenses which should have been recorded as
16 office rental. The utility was paying, as part of its rent on the Sumter office,
17 interest the property owner actually owed to a bank of \$12,002. This adjustment
18 correctly shifts that payment from "interest" expense to rent. Additionally, to
19 annualize "Office and Equipment Rental" for the test year, this adjustment adds
20 \$11,998, so that the total annual rent expense for these items is correctly reflected
21 at \$24,000. (See also Adjustment Number 22) This accurately reflects that the
22 Company has now entered into a rental agreement with Mark Wrigley, the owner

1 of the Company's corporate offices, and known and measurable change to the test
2 year expenses.

3 Adjustment (22) transfers "Interest Expense" to the cost of Office and Equipment
4 Rental. Additionally, \$48,409 is an adjustment to annualize the total interest
5 expense to \$69,175, which covers all debt of \$590,000.

6 **Q. AFTER YOU MADE THE ADJUSTMENTS IN COLUMN (2), WHAT IS**
7 **THE AS-ADJUSTED OPERATING MARGIN IN COLUMN (3) FOR THE**
8 **TEST YEAR?**

9 A. On adjusted Revenues of \$171,002 and Total Operating Income (Loss) of
10 \$372,038, Operating Loss is Negative (217.56%).

11 **Q. IN COLUMN (4), YOU SHOW THE PROPOSED INCREASES TO THE**
12 **COMPANY'S AS-ADJUSTED TEST YEAR REVENUE. WOULD YOU**
13 **EXPLAIN THESE?**

14 A. Workpapers for the proposed adjustments begin on page 11 of Exhibit A-2. I will
15 briefly explain each one.

16 In adjustment (23) and (24), the proposed increases are shown for the residential
17 water and sewer customers throughout Wyboo. The Company is requesting a
18 proposed residential rate of \$67.00 for water and \$75.00 for sewer per customer
19 per month. The requested rates will produce additional revenue of \$196,392 for
20 water and \$153,120 for sewer.

21 Adjustments (25) and (26) are the proposed rates for the Villas, LLC, and are
22 detailed as follows:.

1 Sales Office. The company is requesting a proposed commercial rate of \$80.00
2 for water and \$88.80 for sewer per SFE per month. On an annual basis, water
3 rates for the Villas Sales Office will increase \$744 and sewer rates will increase
4 \$826.

5 The Villas (12 Units). There are four rooms in each of the Villas and each has
6 access to a kitchen. Company proposes that each villa be rated at 1 ½ SFEs. We
7 believe that this rating is consistent with DHEC's Unit Contributory Loading
8 Guidelines. The proposed water revenues would be $1\frac{1}{2} \times \$80.00 \times 12 \text{ months} \times$
9 12 Units. = \$17,280. The proposed sewer revenues would be $1\frac{1}{2} \times \$88.80 \times 12$
10 months X 12 Units = \$19,180. Each Villa is currently paying \$18.00 per month
11 for water and \$20.00 for sewer.

12 Laundry (2 Units). These are laundries used by the Villas. DHEC rates a
13 Laundry as 3 SFE. The annualized revenues for water would be computed at 2
14 units X 3 SFEs X \$80.00 X 12 months = \$5,760. The annualized revenues for
15 sewer would be 2 Units X 3 SFEs X \$88.80 X 12 months = \$6,394.

16 Laundry – Coin Operated. This is a laundromat open to the public. This
17 operation is also rated as 3 SFEs by DHEC.

18 Pool with showers and rest rooms. The proposed annualized revenues for water is
19 125 capacity X 10 gallons per day = 1,250 divided by 400 = 3.13 SFEs, therefore,
20 3.13 SFE X \$80.00 per month X 6 months per year = \$1,503. Sewer would also
21 be rated at 3.13 SFEs.

22 Assembly Hall (200 seats). DHEC rates an assembly hall or meeting room as 2 ½
23 SFEs. The proposed annualized water revenues would be $2\frac{1}{2} \times 12 \text{ months} \times$

1 \$80.00 = \$2,400. Sewer would also be 2 ½ SFEs or \$2,664 per year, based on the
2 proposed sewer rates of \$88.80 per month.

3 House (Manager's Residence). This unit is rated as a commercial unit or, 1 SFE,
4 with a proposed rate of \$80.00 for water and \$88.80 for sewer.

5 Adjustments (27) and (28), Other Commercial Operations

6 Century 21 Sales Office. The Company is proposing \$80.00 per month for water
7 and \$88.80 for sewer based on 1 SFE.

8 Palms Restaurant (208 seats). For this type business, 10 seats = 1 SFE. The
9 proposed water rates would be computed as follow: 20.8 SFEs X \$80.00 X 12
10 months = \$19,968 per year. Sewer would also be 20.8 SFEs.

11 Deercreek HOA. This business has its own sewer service and will be charged
12 water only based on 1 SFE.

13 Deercreek HOA – Pool. The formula for the pool is 210 capacity X 10 gallons
14 per day divided by 400 X \$80.00 X 6 months per year = \$2,520 for water. The
15 proposed sewer would be 210 Capacity X 10 gallons per day divided by 400 X
16 \$88.80 X 6 months = \$2,797.

17 Liquor Store with rest room. Company proposes 1 SFE and \$80.00 per month for
18 water and \$88.80 per month for sewer.

19 Golf Club. Company proposes 1 SFE and the proposed water and sewer rate for
20 this business. Annualized water service would be \$960 per year and \$1,065 for
21 sewer.

22 Adjustments (29) and (30) Wyboo HOA Proposed Revenues.

1 Assembly Hall 200 seats. This entity was rated as 2 ½ SFE. The proposed water
2 revenue would be computed as follows: $2 \frac{1}{2} \times \$80.00 \times 12 \text{ months} = \$2,400$.
3 Sewer would be $2 \frac{1}{2} \times \$88.80 \times 12 \text{ months} = \$2,664$. The Hall is currently
4 paying \$216 per year for water and \$260 per year for sewer. This results in an
5 adjustment of \$2,184 for water and \$2,424 for sewer.

6 Wyboo HOA Pool. The formula for the proposed water rate is 65 Capacity X 10
7 gallons per day = 650 divided by 400 = 1.63 SFEs, therefore, $1.63 \times \$80.00 \times 6$
8 months = \$782. The sewer rate would be computed with an SFE of 1.63 also.
9 Since the pool has not been paying a monthly rate, the proposed revenue and the
10 adjustments are the same.

11 Community Gardens. It is the Utility's understanding that there are several
12 sprinklers in a community garden where members can rent spaces to plant a
13 garden. We are proposing that this be counted as 1 SFE and proposed rates of
14 \$80.00 per month for 12 months. The HOA did not pay any charges for this
15 service during the test year.

16 Wyboo Maintenance Shed (Water Only). This service was charged for 1 SFE at a
17 proposed monthly rate of \$80.00 per month or, \$960 per year, for an adjustment
18 of \$744.

19 Adjustment (31) and (32) Cedar Hills Mobile Home Parks.

20 The company is asking to charge \$60 per connection computed at the DHEC
21 Single Family Equivalent $\frac{3}{4}$ times the commercial rate of \$80.00. The proposed
22 rates are computed as follows:

1 \$60.00 X 42 connections X 12 months = \$30,240 less the annualized revenues of
2 \$9,072 = adjustment of \$21,168.

3 The utility is also requesting a monthly irrigation charge of \$15.00 per month
4 computed as follow: \$15.00 X 30 customers X 12 months = \$5,400. Customers
5 paid \$1,798 during the year resulting in an adjustment of \$3,602.

6 Adjustments (33) and (34) Granada Mobile Home Park. The Utility is asking
7 the same water rates for this mobile home park. Annualized revenues are
8 computed as follows: \$60.00 per month X 61 connections X 12 months =
9 \$43,920 less per-book adjustments \$13,176 = adjustment of \$30,744.

10 The rate for irrigation is the same. Revenues are computed as follows: \$15.00
11 per month X 12 months X 38 connections = \$6,840. The per-books adjustment is
12 \$2,275 for an adjustment to proposed revenues of \$4,565.

13 Adjustment (35) Residential Pools. There are thirteen (13) residential pools
14 located throughout Wyboo Plantation. The proposed revenues for these
15 customers are computed as follows: Size 20' X 15' X 5' =1,500 Cubic feet times
16 7.48 gallons per cubic feet = 11,220 gallons per pool. At a cost of \$3.50 per
17 thousand gallons, the annual cost of filling up the pool will be \$39.27. Add a
18 monthly charge of \$25.00 for six months and the total charge per year will be
19 \$189.27 per pool. Thirteen pools times the annual costs equals \$2,461 per year.

20 Adjustment (36). The utility is proposing \$25.00 per month for irrigation
21 customers. The proposed revenues are as follows: \$25.00 per month X 93
22 customers X 12 months = \$27,900 total proposed annual revenues. These

1 revenues, after deducting the per-book adjusted amount of \$5,580, will increase
2 by \$22,320.

3 Adjustment (37). Uncollectibles of \$19,390, are computed at 3.5 % of the total
4 proposed increase of \$553,996 shown on Exhibit A, page 2 of 3, line 70, column
5 (4).

6 Adjustment (38). Gross receipts taxes are computed at 0.0071 times the total
7 proposed revenues of \$534,606 for an adjustment of \$3,796.

8 Adjustment (39) computes income taxes of \$48,047 using the various Federal and
9 State income tax brackets. The workpapers in Exhibit A-2 shows the
10 computations.

11 **Q. AFTER YOUR ADJUSTMENTS TO THE PROPOSED INCREASE,**
12 **WHAT IS THE OPERATING MARGINS?**

13 A. On Revenues of \$705,608 and operating expenses of \$594,883, (inclusive of
14 interest expense of \$69,175), the Operating margin is 15.69%.

15 **Q. JUST TO BE CLEAR, WOULD YOU EXPLAIN YOUR EXHIBITS A-1, A-**
16 **2 AND B?**

17 A. Exhibit A-1 summarizes the proposed adjustments shown in columns (2) and (4)
18 of Exhibit A.

19 Exhibit A-2 is a complete set of workpapers explaining in detail all the
20 adjustments shown on Exhibits A and A-1.

21 Exhibit B is a comparative Income Statements for 2004 and 2005.

22 **Q. DOES WYBOO'S PROPOSED RATE DESIGN INSURE THAT ITS**
23 **RESIDENTIAL CUSTOMERS DO NOT CARRY AN UNFAIR BURDEN**

1 **OF COSTS IN RELATION TO COMMERCIAL AND INDUSTRIAL**
2 **CUSTOMERS?**

3 A. Yes. In order to make sure there is no unfair burden on Wyboo's residential
4 customers, we have proposed to charge the Commercial customers a rate that is
5 proportionally higher per SFE than Wyboo's residential customers. Wyboo did
6 this to insure that the real (after tax) cost of its residential rates did not subsidize
7 the real (after tax) cost of its commercial rates.

8 Commercial customers can deduct the cost of water and sewer service
9 from their taxable income as a business expense. On the first \$50,000 of taxable
10 income, the commercial customer pays a tax rate of 19.25%. When comparing
11 "after tax" cost to the customer, the \$67.00 monthly residential water rate equals
12 an \$83.00 per month commercial water rate. The \$75.00 residential sewer rate
13 equals a \$92.00 commercial sewer rate. When Wyboo finalized its rate model for
14 the present filing, it decreased these commercial water and sewer rates slightly, in
15 order to maintain an appropriate operating margin. The proposed commercial
16 rates were reduced to \$80.00 for water and \$88.80 for sewer in order to maintain
17 the Commission-approved ratio between water and sewer rates.

18 **Q. WHAT COST SUPPORT DO YOU HAVE FOR WYBOO'S PROPOSED**
19 **WATER AND SEWER CONNECTION FEES?**

20 A. In helping to prepare Wyboo's rate application, I conducted a detailed study of the
21 costs Wyboo incurs in making water and sewer connections. Exhibit 3 of the
22 Application sets forth the results of my study. The costs reflected in that Exhibit
23 are virtually identical for a water and sewer tap, with the exception that a water

1 tap includes costs for purchase of the meter and certain materials. All other costs
2 are virtually the same between water and sewer. While Wyboo has requested
3 certain rates for water and sewer tap fees, it will naturally defer to the
4 Commission to set its final rates in response to Wyboo's Application and the
5 testimony in this proceeding.

6 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

7 A. Yes, it does.

8

9

WYBOO PLANTATION UTILITIES, INC.
OPERATING MARGINS
FOR THE TEST YEAR ENDING DECEMBER 31, 2005

MAREADY
EXHIBIT A
PAGE 1 OF 3 PAGES

Column Number----->		(1)	(2)	(3)	(4)	(5)		
		PROFORMA AND ACCTNG.						
LINE NO.	ACCOUNT OR CUSTOMER	PER BOOKS	ADJUST- MENTS	ADJ. NO.	AFTER ADJUST- MENTS	PROPOSED INCREASE	ADJ NO.	AFTER PROPOSED INCREASE
		\$	\$		\$	\$		\$
1	Residential Water Revenues	70,527	1,617	(1)	72,144	196,392	(23)	268,536
2	Residential Sewer Revenues	46,828	8,852	(2)	55,680	153,120	(24)	208,800
3	Commercial Customers							
4	The Villas, LLC							
5	Sales Office:							
6	Water		216	(3)	216	744	(25)	960
7	Sewer		240	(4)	240	826	(26)	1,066
8	The Villas (12 Units)							
9	Water	2,592	0		2,592	14,688	(25)	17,280
10	Sewer	2,880	0		2,880	16,300	(26)	19,180
11	Laundry (2)							
12	Water	0	432	(3)	432	5,328	(25)	5,760
13	Sewer	0	480	(4)	480	5,914	(26)	6,394
14	Laundry - Coin Operated							
15	Water	0	216	(3)	216	2,664	(25)	2,880
16	Sewer	0	240	(4)	240	2,957	(26)	3,197
17	Pool with Showers							
18	Water	0	216	(3)	216	1,287	(25)	1,503
19	Sewer	0	240	(4)	240	1,428	(26)	1,668
20	Assembly Hall (200 Seats)							
21	Water	216	0		216	2,184	(25)	2,400
22	Sewer	240	0		240	2,424	(26)	2,664
23	House (Office)							
24	Water	0	216	(3)	216	744	(25)	960
25	Sewer	0	240	(4)	240	826	(26)	1,066
26	Century 21 Sales Office							
27	Water	216	0		216	744	(27)	960
28	Sewer	240	0		240	826	(28)	1,066
29	Palms Restaurant (208 Seats)							
30	Water	216	0		216	19,752	(27)	19,968
31	Sewer	240	0		240	21,924	(28)	22,164
32	Deercreek HOA (Water Only)							
33	Water	216	0		216	744	(27)	960
34	Deercreek (Pool)							
35	Water	0	0		0	2,520	(27)	2,520
36	Sewer	0	0		0	2,798	(28)	2,798
37	Liquor Store							
38	Water	0	216	(5)	216	744	(27)	960
39	Sewer	0	240	(6)	240	826	(28)	1,066
40	Golf Club							
41	Water	216	0		216	744	(27)	960
42	Sewer	240	0		240	826	(28)	1,066
43	Wyboo HOA							
44	Assembly Hall (200 Seats)							
45	Water	216	0		216	2,184	(29)	2,400
46	Sewer	240	0		240	2,424	(30)	2,664
47	Pool							
48	Water	0	0		0	782	(29)	782
49	Sewer	0	0		0	868	(30)	868

-----CONTINUED ON NEXT PAGE-----

WYBOO PLANTATION UTILITIES, INC.
OPERATING MARGINS

MAREADY
EXHIBIT A
PAGE 2 OF 3 PAGES

FOR THE TEST PERIOD ENDING DECEMBER 31, 2005

Column Numbers----->

LINE NO.	ACCOUNT OR CUSTOMER	(1)	(2)	(3)	(4)	(5)
		PER BOOKS	PROFORMA AND ACCTNG. ADJUST-MENTS	ADJ. NO.	AFTER ADJUST-MENTS	AFTER PROPOSED INCREASE
		\$	\$		\$	\$
50	Community Garden					
51	Water	0	60	(7)	60	960 (29)
52	Maintenance Shed					
53	Water	0	216	(7)	216	744 (29)
54	Irrigation 4 Common Areas					
55	Water	0	240	(7)	240	960 (29)
56	Cedar Hills Mobile Home Park					
57	Water	7,681	1,391	(9)	9,072	21,168 (31)
58	Irrigation	1,798			1,798	3,602 (32)
59	Reconnect Fees	615			615	615
60	Granada Mobile Home Park					
61	Water	12,139	1,037	(10)	13,176	30,744 (33)
62	Irrigation	2,275			2,275	4,565 (34)
63	Reconnect Fees	514			514	514
64	Pools - Residential (13)	0	0		0	2,461 (35)
65	Irrigation	4,628	952	(11)	5,580	22,320 (36)
66	Water Taps (Prepaid)	31,545	(31,545)	(12)	0	0
67	Sewer Taps (Prepaid)	7,850	(7,850)	(13)	0	0
68	DHEC Testing Revenues	9,852	(9,852)	(14)	0	0
69	Less: Returns and Allowances	(1,528)	0		(1,528)	0
70	Total Proposed Increase:				553,996	
71	Less: Uncollectibles				(19,390)	(37) (19,390)
72	Total operating Revenues	202,692	(31,690)		171,002	534,606
73						
74						
75	OPERATING EXPENSES					
76	Salaries and Wages	50,488	223,194	(15)	273,682	0
77	Maintenance and Repairs	40,983	(5,917)	(16)	35,066	0
78	Utilities	26,720	0		26,720	0
79	Office Supplies and Expenses	17,170	0		17,170	0
80	DHEC Testing Expenses	12,066	(12,066)	(17)	0	0
81	Alarm System	4,744	0		4,744	0
82	Contract Services	10,795	0		10,795	0
83	Insurance	8,217	0		8,217	0
84	Depreciation	11,435	18,651	(18)	30,086	0
85	Taxes and Licenses	5,747	12,638	(19)	18,385	0
86	Gross Receipts Taxes	0	0		0	3,796 (38)
87	Rate Case Expenses	0	25,000	(20)	25,000	0
88	Rental Exp. (Office and Equip)	0	24,000	(21)	24,000	0
89	Income Taxes (State and Fed)	0	0		0	48,047 (39)
90	Total Operating Expenses	188,365	285,500		473,865	51,843
91	Net Operating Income	14,327	(317,190)		(302,863)	482,763
92						
93	Less: Interest Expense	32,768	36,407	(22)	69,175	0
94						
95	Total Operating Income (Loss)	(18,441)	(353,597)		(372,038)	482,763
96						
97	OPERATING MARGINS (LOSSES)	-9.10%			-217.56%	15.69%

WYBOO PLANTATION UTILITIES, INC.
OPERATING MARGINS
FOR THE TEST YEAR ENDING DECEMBER 31, 2005

LINE NO.	Column Numbers→	(1)	(2)	(3)	(4)	(5)
		PER BOOKS	PROFORMA AND ACCOUNTING ADJUSTMENTS	AFTER ADJUSTMENTS	PROPOSED INCREASE	AFTER PROPOSED INCREASE
		\$	\$	\$	\$	\$
1	Residential Revenues					
2	Water	70,527	1,617	72,144	196,392	268,536
3	Sewer	46,828	8,852	55,680	153,120	208,800
4	Irrigation	4,628	952	5,580	22,320	27,900
5	Pools (13)	0	0	0	2,461	2,461
6						
7	Commercial Revenues					
8	Water	3,888	1,572	5,460	52,908	58,368
9	Sewer	4,080	1,440	5,520	56,073	61,593
10	Irrigation	0	240	240	960	1,200
11	Pools					
12	Water	0	216	216	4,589	4,805
13	Sewer	0	240	240	5,094	5,334
14						
15	Mobile Home Parks					
16	Water	19,820	2,428	22,248	51,912	74,160
17	Irrigation	4,073	0	4,073	8,167	12,240
18	Reconnection Fees	1,129	0	1,129	0	1,129
19						
20	Water Taps (Prepaid)	31,545	(31,545)	0	0	0
21	Sewer Taps (Prepaid)	7,850	(7,850)	0	0	0
22	DHEC Testing Revenues	9,852	(9,852)	0	0	0
23	Less: Returns and Allowances	(1,528)	0	(1,528)	0	(1,528)
24	Total Proposed Increase:				553,996	
25						
26	Less: Uncollectibles:				(19,390)	(19,390)
27	TOTAL OPERATING REVENUES:	202,692	(31,690)	171,002	534,606	705,608
28						
29	OPERATING EXPENSES					
30	Salaries and Wages	50,488	223,194	273,682	0	273,682
31	Maintenance and Repair Exp.	40,983	(5,917)	35,066	0	35,066
32	Utilities	26,720	0	26,720	0	26,720
33	Office Supplies and Expenses	17,170	0	17,170	0	17,170
34	DHEC Testing Expenses	12,066	(12,066)	0	0	0
35	Alarm System	4,744	0	4,744	0	4,744
36	Contract Services	10,795	0	10,795	0	10,795
37	Insurance	8,217	0	8,217	0	8,217
38	Depreciation	11,435	18,651	30,086	0	30,086
39	Taxes and Licenses	5,747	12,638	18,385	0	18,385
40	Gross Receipts Taxes	0	0	0	3,796	3,796
41	Rate Case Expense	0	25,000	25,000	0	25,000
42	Office and Equipment Rental	0	24,000	24,000	0	24,000
43	Income Taxes	0	0	0	48,047	48,047
44	TOTAL OPERATING EXPENSES:	188,365	285,500	473,866	51,843	525,708
45						
46	NET OPERATING INCOME (LOSS)	14,327	(317,190)	(302,863)	482,763	179,900
47						
48	Less: Interest Expense:	32,768	36,407	69,175	0	69,175
49						
50	Net Operating Income (Loss):	(18,441)	(353,597)	(372,038)	482,763	110,725
	OPERATING MARGINS (LOSSES)	-9.10%		-217.56%		15.69%

WYBOO PLANTATION UTILITIES, INC.
 PROFORMA AND ACCOUNTING ADJUSTMENTS
 FOR THE TWELVE MONTHS TEST PERIOD ENDING 12/31/05

MAREADY
 EXHIBIT A-1
 PAGE 1

Column Numbers----->		(1)	(2)	(3)	(4)	(5)	(6)
		RESIDENTIAL		THE VILLAS COMMERCIAL		COMMERCIAL	
LINE NO.	DESCRIPTION OF ADJUSTMENT	WATER REVENUE	SEWER REVENUE	WATER REVENUE	SEWER REVENUE	WATER REVENUE	SEWER REVENUE
		\$	\$	\$	\$	\$	\$
1	To adjust Water Revenues to	1,617					
2	end-of-year customer level:						
3	To adjust Sewer Revenues to		8,852				
4	end-of-year customer level:						
5							
6	During the test year, there were						
7	customers who did not pay for						
8	approved water and sewer service.						
9	Company proposes to adjust these						
10	revenues based on the						
11	Commission's approved rates.						
12	These are all commercial						
13	businesses owned by 'The Villas'						
14	Sales Office			216	240		
15	Laundries (2) used by The Villas:			432	480		
16	Coin operated Laundromat (1)			216	240		
17	Pool with shower and baths			216	240		
18	House at The Villa (Manager)			216	240		
19							
20	There was another independently						
20	owned business who did not pay						
21	for approved water and sewer						
21	service. Company proposes to adjust						
22	this revenue based on approved						
22	Commission rates:						
23	Liquor Store					216	240
24							
25	TOTAL OF ADJUSTMENTS:	1,617	8,852	1,296	1,440	216	240
25							
26	Adjustment Numbers to Exhibit A:	(1)	(2)	(3)	(4)	(5)	(6)

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TWELVE MONTHS TEST PERIOD ENDING 12/31/05

MAREADY
EXHIBIT A-1
PAGE 2

Column Numbers----->		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
LINE NO.	DESCRIPTION OF ACCOUNTS	WPHOA COMMERCIAL		CEDAR HILLS	GRANADA	IRRIGATION	WATER	SEWER	DHEC
		WATER REVENUE	SEWER REVENUE	MHP REVENUES	MHP REVENUE	REVENUE	TAPS	TAPS	TESTING REVENUE
1		\$	\$	\$	\$	\$	\$	\$	\$
2	There were other commercial								
3	customers who were not known,								
4	and, therefore, did not pay during								
5	the test year. Company proposes								
6	to annualize revenues on these								
7	customers based on Commission								
8	approved water and sewer rates.								
9	These are all Wyboo Plantation								
10	Homeowners' Association (WPHOA)								
11	Pool	0	0						
12	Community Garden (Water Only)	60	0						
13	Maintenance Shed (Water only)	216	0						
14	Irrigation and Common Areas (4)	240	0						
15									
16	To annualize Cedar Hills MHP			1,391					
17	based on number of connections:								
18									
19	To annualize Granada MHP based				1,037				
20	on number of connections:								
21									
22	To annualize irrigation revenues					952			
23	based on end-of-year customers:								
24									
25	To eliminate Prepaid Water Tap Fees						(31,545)		
26	for rate-making purposes:								
27									
28	To eliminate Prepaid Sewer Tap Fees							(7,850)	
29	for rate-making purposes:								
30									
31	To eliminate DHEC Testing Revenues								(9,852)
32	for Rate-Making purposes:								
33	(See Adjustment Number (17) for								
34	DHEC Expenses)								
35									
36	TOTAL OF ADJUSTMENTS:	516	0	1,391	1,037	952	(31,545)	(7,850)	(9,852)
37									
38	Adjustment Numbers to Exhibit A:	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TWELVE MONTHS TEST PERIOD ENDING 12/31/05

MAREADY
EXHIBIT A-1
PAGE 3

Column Numbers----->		(1)	(2)	(3)	(4)	(5)	(6)
LINE NO.	DESCRIPTION OF ADJUSTMENTS:	SALARIES AND WAGES	MAINTENANCE AND REPAIRS	DHEC TESTING EXPENSES	DEPRECIATION EXPENSE	TAXES AND LICENSES	RATE CASE EXPENSE
		\$	\$	\$	\$	\$	\$
1	To annualize Salaries and Wages	223,194					
2	based on total salaries as of May						
3	2006						
4							
5	To eliminate repair expenses on		(1,133)				
6	manhole covers not under regulation						
7	by this Utility						
8							
9	To deduct expenses that were added		(4,784)				
10	twice from the Company's ledger to						
11	the Income Taxes for 2005						
12							
13	To remove DHEC testing expenses			(12,066)			
14	from regulated expenses (See also						
15	Adjustment Number 14 above):						
16							
17	To annualize Depreciation on End-of-				18,651		
18	year Plant-in-Service and water						
19	tank completed in May 2006:						
20							
21	To add to Social Security Taxes for					17,075	
22	the increase in wages above:						
23							
24	To deduct property taxes incurred					(284)	
25	in 2004 but paid during the test year:						
26							
27	To deduct property taxes paid by the					(4,153)	
28	utility but should have been paid by						
29	the owner of the rented office						
30							
31	To amortize rate case expense over						25,000
32	a two-year period:						
33							
34	TOTAL OF ADJUSTMENTS:	223,194	(5,917)	(12,066)	18,651	12,638	25,000
35							
36	Adjustment Numbers to Exhibit A:	(15)	(16)	(17)	(18)	(19)	(20)
37							

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TWELVE MONTHS TEST PERIOD ENDING 12/31/ 05

MAREADY
EXHIBIT A-1
PAGE 4

Column Numbers----->

(1) (2)

LINE NO.	DESCRIPTION OF ADJUSTMENTS	OFFICE AND EQUIP. RENTAL	INTEREST EXPENSE
		\$	\$
1	To transfer the cost of 'Interest	12,002	(12,002)
2	Expense" to "Rental of Office and		
3	Equipment"		
4			
5	To annualize Office and Equipment	11,998	
6	Rental for the test year.		
7			
8	To annualize interest expense and		48,409
9	include mortgage on new water tank:		
10			
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23	TOTAL OF ADJUSTMENTS	24,000	36,407
24			
25	Adjustment Numbers to Exhibit A:	(21)	(22)
26			

MAREADY
EXHIBIT A-1
PAGE 5

[illegible]

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TWELVE MONTHS TEST PERIOD ENDING 12/31/05

MAREADY
EXHIBIT A-1
PAGE 6

Column Numbers----->		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		CEDAR HILLS MOBILE HOME PARK			GRANADA MOBILE HOME PARK			RESI-	
		PROPOSED	IRRI-		PROPOSED	IRRI-		DENTIAL	IRRI-
		WATER	GATION		WATER	GATION		POOLS	GATION
LINE NO.	DESCRIPTION OF ADJUSTMENTS:	INCREASE	INCREASE		INCREASE	INCREASE		INCREASE	INCREASE
		\$	\$	\$	\$	\$	\$	\$	\$
1	To show the effect of the proposed								
2	increase based on the Company's								
3	proposed rates and charges for								
4	Cedar Hills Mobile Home Park:								
5	(Based on Commercial 3/4 SFE and								
6	available connections):								
7	Water Revenue	21,168							
8	Irrigation Revenue		3,602						
9									
10									
11	To show the effect of the proposed								
12	increase based on the Company's								
13	proposed rates and charges for								
14	Granada Mobile Home Park (Based								
15	on Commercial 3/4 SFE and								
16	available connections):								
17	Water Revenues				30,744				
18	Irrigation Revenue					4,565			
19									
20									
21	To show the effect of the proposed							2,461	
22	increase on residential pools based								
23	on year-end number of customers								
24	(13)								
25									
26	To show the effect of the proposed								22,320
27	increase from irrigation residential								
28	customers (93)								
29									
30									
31									
34	TOTAL OF ADJUSTMENTS:	21,168	3,602		30,744	4,565		2,461	22,320
35									
36	Adjustment Numbers to Exhibit A:	(31)	(32)		(33)	(34)		(35)	(36)

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TWELVE MONTHS TEST PERIOD ENDING 12/31/05

MAREADY
EXHIBIT A-1
PAGE 7

Column Numbers----->		(2)	(3)
LINE NO.	DESCRIPTION OF ADJUSTMENTS:	UN-COLLECTI-BLES	STATE AND FEDERAL INCOME TAXES
		\$	\$
1			
2	To recognize amount of uncollecti-	19,390	
3	bles on the proposed increase		
4			
5	To show the effect of Gross		3,796
6	receipts taxes resulting from the		
7	proposed increase to revenues		
8	above:		
9			
10	To show the effect of Income Taxes		48,047
11	based on taxable income:		
12			
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			
29	TOTAL OF ADJUSTMENTS:	19,390	48,047
30			
31	Adjustment Numbers to Exhibit A:	(37)	(39)
32			

Wyboo Adjs
1 thru 6

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TEST YEAR ENDING 12/31/05

LINE NO.	DESCRIPTION	REVENUES		NUMBER OF CUSTOMERS	
		WATER \$	SEWER \$	WATER	SEWER
1	Per-Book Residential Revenue 2005:	<u>70,527</u>	<u>46,828</u>		
2					
3					
4	Customers at January 2006			352	249
5					
6	The Villas			(12)	(12)
7					
8	Assembly Hall (The Villas, LLC)			(1)	(1)
9					
10	Century 21			(1)	(1)
11					
12	Palms Restaurant			(1)	(1)
13					
14	Deercreek (Water Only)			(1)	0
15					
16	Golf Club			(1)	(1)
17					
18	Assembly Hall (Wyboo HOA)			(1)	(1)
19					
20	Balance of Number of Customers for			334	232
21	annualizing revenues for the test year:				
22	Present approved monthly charge:			\$18.00	\$20.00
23					
24	Monthly revenues			6,012	4,640
25					
26	Times twelve (12) months			12	12
27					
28	Annualized Per-Book Revenues			72,144	55,680
29					
30	Less Revenues above:			(70,527)	(46,828)
31					
32	Adjustment to per-book revenues:			1,617	8,852
33					
34	Adjustment Numbers to Exhibit A:			(1)	(2)

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TEST YEAR ENDING 12/31/05

LINE NO.	DESCRIPTION	WATER REVENUES \$	SEWER REVENUES \$
1	Sales Office:		
2	Water: \$18.00 per month X 12 months	216	
3	Sewer: \$20.00 per month X 12 months:		240
4			
5	Laundromats owned by The Villas (2)		
6	Water: \$18.00 per month X 12 months X 2	432	
7	Sewer: \$20.00 per month X 12 months X 2		480
8			
9	Coin Operated Laundromat:		
10	Water: \$18.00 per month X 12 months	216	
11	Sewer: \$20.00 per month X 12 months		240
12			
13	Pool with Showers and Baths:		
14	Water: \$18.00 per month X 12 months	216	
15	Sewer: \$20.00 per month X 12 months		240
16			
17	House at The Villa for Manager's residence:		
18	Water: \$18.00 per month X 12 months	216	
19	Sewer: \$20.00 per month X 12 months		240
20			
21	Total Adjustments:	<u>1,296</u>	<u>1,440</u>
22			
23	Adjustment Numbers to Exhibit A:	(3)	(4)

The Companies in the above adjustments are owned by The Villas, LLC. These customers did not pay monthly approved charges during the test year and revenues are imputed as if payments were made during the test year.

WYBOO PLANTATION UTILITIES. OMC/
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TEST YEAR ENDING 12/31/05

LINE NO.	DESCRIPTION	WATER REVENUES \$	SEWER REVENUES \$
1	Liquor Store		
2	Water: \$18.00 per month X 12 months	216	
3	Sewer: \$20.00 per month X 12 months		240
4			
5			
6			
7			
8			
9	Total Adjustments:	216	240
10			
11	Adjustment Numbers to Exhibit A:	(5)	(6)
12			
13			
14			
15			
16			
17			
18			
19			
20			
21	There were another independently owned business which did not pay for approved		
22	water and sewer service. Company proposes to adjust these revenues based on		
23	approved Commission rates.		
24			

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TEST YEAR ENDING 12/31/05

LINE NO.	DESCRIPTION	WATER REVENUE \$	SEWER REVENUE \$
1	Pool:		
2	Water:	0	
3	Sewer		0
4			
5	Community Garden (Water only)		
6	Water: \$10.00 per month X 6 months	60	
7	Sewer: None		0
8			
9	Maintenance Shed		
10	Water: \$18.00 per month X 12 months	216	
11	Sewer: None		0
12			
13	Irrigation of Common Areas (4)		
14	Water: \$10.00 per month X 6 months X 4	240	
15	Sewer: None		0
16			
17	Total Adjustments	516	0
18			
19	Adjustment Number to Exhibit A:	(7)	(8)

24 There were other commercial customers which were not known and, therefore,
25 did not pay during the test year. Company proposes to annualize revenues on
26 these customers based on Commission approved water and sewer rates.
27 These are all entities of Wyboo Plantation Homeowners' Association (WPHOA).

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TEST PERIOD ENDING 12/31/05

LINE NO.	DESCRIPTION	CEDAR HILLS MHP	GRANADA MHP
1	<u>MOBILE HOME PARKS</u>		
2			
3	Monthly rates:	\$18.00	\$18.00
4			
5	Times number of Connections:	<u>42</u>	<u>61</u>
6			
7	Total monthly revenue:	\$756	\$1,098
8			
9	Times twelve months	<u>12</u>	<u>12</u>
10			
11	Annualized Revenue:	\$9,072	\$13,176
12			
13	Less: Per-book Revenue:	<u>(7,681)</u>	<u>(12,139)</u>
14			
15	Adjustments to Mobile Home Parks:	<u>\$1,391</u>	<u>\$1,037</u>
16			
17	Adjustment Number to Exhibit A-	(9)	(10)
18			
19			
20	<u>ADJUSTMENT TO IRRIGATION REVENUES</u>		
21	<u>(RESIDENTIAL ONLY)</u>		
22			
23	Monthly Approved Charge:	\$10.00	
24			
25	Number of Customers:	<u>93</u>	
26			
27	Monthly Revenue:	\$930	
28			
29	X number of months (April through September)	<u>6</u>	
30			
31	Annual Revenue:	\$5,580	
32			
33	Less: Per books:	<u></u>	
34			
35	Adjustment to residential irrigation	<u>\$952</u>	
36			
37	Adjustment Number to Exhibit A:	(11)	
38			

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PER-BOOK REVENUES
FOR THE TEST YEAR ENDING 12/31/05

LINE NO.	DESCRIPTION		
1	<u>WATER AND SEWER TAP FEES (PREPAID)</u>		
2		WATER	SEWER
3		TAPS	TAPS
4		\$	\$
5	Tap Fees - Per Books (Prepaid)	<u>31,545</u>	<u>7,850</u>
6			
7	Adjustment	<u>(31,545)</u>	<u>(7,850)</u>
8			
9	Balance in Accounts	<u>0</u>	<u>0</u>
10			
11	Adjustment Numbers to Exhibit A:	(12)	(13)
12			
13			
14			
15		<u>ADJ. TO DHEC TESTING REVENUES</u>	
16			
17		AMOUNT	
18		\$	
19	DHEC Testing Revenues - Per Books:	<u>9,852</u>	
20			
21	Less: Adjustment to eliminate revenues	<u>(9,852)</u>	
22			
23	Balance in this account:	<u>0</u>	
24			
25	Adjustment Number to Exhibit A:	(14)	
26			
27			
28	See also adjustment number (17) which eliminates the expenses related to Testing.		

Wyboo exp adjs

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PER-BOOK EXPENSES
FOR THE TEST YEAR ENDED 12/31/05

LINE NO.	DESCRIPTION	
1	<u>ADJUSTMENT TO SALARIES</u>	ANNUAL
2		SALARIES
3		\$
4	Proposed Salaries:	
5	CEO	75,000
6	Environmental Engineer	37,544
7	Accounting Manager	37,544
8	Office Manager	25,501
9	Secretary II	18,949
10	Maintenance Supervisor	37,544
11	Chief Operator	41,600
12	Total annualized proposed salaries	273,682
13		
14	Less: Per book salaries:	(50,488)
15		
16	Total Adjustment to proposed salaries:	223,194
17		
18	Adjustment Number to Exhibit A:	(15)
19		
20	<u>ADJUSTMENT TO MAINTENANCE AND REPAIRS</u>	AMOUNT
21		\$
22		
23		
24	<u>Maintenance and Repairs:</u>	(1,133.00)
25		
26	Adjustment Number to Exhibit A:	(16)
27		
28	To eliminate expenses related to repairs on Grinder Stations	
29		
30	To eliminate expenses that were deducted twice	(4,784)
31	from the company 's ledger to the income taxes:	
32		
33	Adjustment Number to Exhibit A:	(16)
34		
35	<u>TO REMOVE DHEC TESTING EXPENSES</u>	AMOUNT
36		\$
37		
38	To remove DHEC testing Expenses:	(12,066)
39		
40	Adjustment Number to Exhibit A:	(17)
41		
42	DHEC testing expenses are proposed to be eliminated in this adjustment. In	
43	adjustment Number (14), company proposes to eliminate Testing <u>Revenues</u> of	
44	\$9,852.00	
45		AMOUNT
46	<u>DEPRECIATION EXPENSE:</u>	\$
47	Depreciation Expense:	18,651
48	Adjustment Number to Exhibit A:	(18)

SEE DEPRECIATION WORKPAPERS ON PAGE 8

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENT TO DEPRECIATION
FOR THE TWELVE MONTHS TEST YEAR ENDING 12/31/05

LINE NO.	DESCRIPTION OF ASSET	PURCHASED DATE	ORIGINAL COST \$	DEPR. METHOD	SERVICE LIFE IN YEARS	ANNUAL DEPR. RATE	ANNUAL DEPR \$	PRIOR YEARS DEPR. AS OF 12/31/2004 \$	DEPR. RESERVE AT 12/31/05 \$
1	Purchased Stock (100%)	04/01/01	240,500	S/L	25	4.00%	9,620	33,670	43,290
2									
3	Buildings	1-Jun-01	8,014	S/L	7	14.28%	1,144	5,511	6,655
4									
5	Buildings	Jan-03	7,690	S/L	4	25%	1,099	1,648	2,747
6									
7	Water Tank	Apr-06	380,000	S/L	40	2.50%	9,500	0	0
8									
9	Ford Truck, F150	Jul-04	34,809	S/L	7	14.28%	4,973	2,485	7,458
10									
11	Tractor	Jun-02	15,000	S/L	5	20.00%	3,750	0	0
12									
13	Totals		<u>686,013</u>				30,086	<u>43,314</u>	<u>60,150</u>
14									
15	Less Depreciation per Books						(11,435)		
16									
17	Adjustment to Depreciation Expense, Adjustment Number (18)						<u>18,651</u>		
18									
19	Adjustment Number to Exhibit A-1						(18)		

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PER-BOOK EXPENSES
FOR THE TEST YEAR ENDED 12/31/05

MAREADY
EXHIBIT A-2
PAGE 9

LINE NO.	ADJUSTMENT TO TAXES AND LICENSES	AMOUNT \$
1	Proposed adjustment to salaries and wages , number (15)	223,194
2		
3	Social Security Taxes at 7.65%	0.0765
4		
5	Increase to Taxes and Licenses:	17,075
6		
7	Adjustment Number to Exhibit A:	(19)
8		
9		
10	<u>DEDUCTION TO PROPERTY TAXES:</u>	
11		
12	To deduct property taxes incurred in	\$(284)
13	2004 but paid during the test year:	
14		
15	Adjustment Number to Exhibit A:	(19)
16		
17		
18	<u>TAXES AND LICENSES</u>	
19	To eliminate property tax on office that	(4,153)
20	should have been paid by the owner:	
21	Adjustment Number to Exhibit A:	(19)
22		
23	<u>AMORTIZATION OF RATE CASE EXPENSE</u>	AMOUNT
24		\$
25	Estimated Rate Case Expense:	50,000
26		
27	Amortize over two-year period, or, 1/2 of total expense	50%
28		
29	To amortize rate case expense over a two-year period:	25,000
30		
31	Adjustment Number to Exhibit A:	(20)
32		
33		
34	<u>OFFICE AND EQUIPMENT RENTAL</u>	AMOUNT
35		\$
36		
37	To transfer "Interest Expense" charges to	12,002
38	"Office and Equipmental Rental"	
39		
40	To annualize Utilities' "Office and Equipment Rental"	11,998
41	for the test year	
42		
43	Total annualized "Office and equipment Rental" for the test year:	24,000
44		
45	Adjustment Number to Exhibit A:	(21)
46		

LINE NO.	INTEREST EXPENSE	WYBOO PLANTATION UTILITIES, INC. ADJUSTMENTS TO PER-BOOK EXPENSES FOR THE TEST YEAR ENDED 12/31/05		
2			AMOUNT	
3			\$	
5	To transfer "Interest Expense" as a cost to "Office and Equipment Rental"			(12,002)
6				
8	To annualize Interest Expense and to include interest on mortgage of the new water tank put into service in May 2006.			48,409
9				
10				
12	Total annualized interest expense for the test year:			36,407
14	Adjustment Number to Exhibit A:			(22)
17	During the test year, the Utility paid rent to the bank of \$1,000.18 per month. Since the utility was paying the owner's rent to the bank, the utility counted it as "Interest Expense". This should have been booked as "Office and Equipment Rental. Company proposes to reclassify \$12,002 from Interest to Rental expense. Note that in adjustment number (21) above, \$12,002 was charged to rental expense.			
18				
19				
20				
21				
22				
23				
24			ANNUAL	
25		PRINCIPAL	INTEREST	INTEREST
26	ANNUALIZED INTEREST	\$	RATE	\$
28	Mortgage	530,000	0.1025	54,325
29	Charge Card	30,000	0.2324	6,972
30	Charge Card	30,000	0.2626	7,878
31		590,000		69,175
32	Less: Interest per books			(32,768)
33	Proposed Adjustment to Interest Expense:			36,407
34				
35	Adjustment Number to Exhibit A:			(22)

Proposed Increase - Villas
11-14

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PROPOSED INCREASE
FOR THE TEST PERIOD ENDED 12/31/05

1
2
3
4
5
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11
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14
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21
22
23
24

<u>RESIDENTIAL CUSTOMERS</u>	<u>PROPOSED WATER INCREASE \$</u>	<u>PROPOSED SEWER INCREASE \$</u>
Proposed Residential Rate	\$67.00	\$75.00
Multiply by number of customers	<u>334</u>	<u>232</u>
Monthly Revenues	\$22,378	\$17,400
Multiply by 12 months	<u>12</u>	<u>12</u>
Annualized proposed revenues	268,536	208,800
Less Adjusted revenues	<u>(72,144)</u>	<u>(55,680)</u>
Proposed Increase - Residential	<u>196,392</u>	<u>153,120</u>
Adjustment Numbers to Exhibit A:	(23)	(24)

WYBOO PLANTATION UTILITIES, INC
ADJUSTMENTS FOR PROPOSED INCREASE
FOR THE TEST PERIOD ENDED 12/31/05

MAREADY
EXHIBIT A-1
PAGE 12

THE VILLAS LLC

<u>Sales Office</u>	<u>WATER REVENUE \$</u>	<u>SEWER REVENUE \$</u>
1 Proposed Ruvenues	80.00	88.80
2		
3 Multiply by 12 months	12	12
4		
5 Total annual revenue:	960	1,066
6		
7 Less Adjusted revenue	216	240
8		
9 Amount of Proposed Increase:	744	826
10 Adjustment Numbers to Exhibit A:	(25)	(26)
11		
12 <u>Villas (12 Units X 1 1/2 SFEs)</u>		
13		
14 Proposed Revenues	120.00	133.20
15		
16 Multiply by 12 Units	12	12
17		
18 Total monthly Revenue	1,440.00	1,598.40
19		
20 Multiply by 12 months:	12	12
21		
22 Proposed Annualized Revenues:	17,280.00	19,180.80
23		
24 Less: Per-book Revenues	(2,592.00)	(2,880.00)
25		
26 Proposed Increase:	14,688.00	16,300.80
27 Adjustments Numbers to Exhibit A:	(25)	(26)
28		
29		
30		
31 <u>Laundries (2) used by The Villas</u>		
32		
33 Proposed Rates each	240.00	266.40
34		
35 Multiply by 2 laundries	2	2
36		
37 Total proposed rate 2 Laundries	480.00	532.80
38		
39 Multiply by 12 months:	12	12
40		
41 Annualized revenues:	5,760.00	6,393.60
42		
43 Less: Per-book revenues	(432.00)	(480.00)
44		
45 Proposed Increase:	5,328.00	5,913.60
46		
47 Adjustment Numbers to Exhibit A:	(25)	(26)
48		

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PROPOSED REVENUES
FOR THE TEST PERIOD ENDED 12/31/05

LINE
NO. THE VILLAS LLC - CONTINUED

1	<u>Laundromat (3 SFEs)</u>	AMOUNT	AMOUNT
2		\$	\$
3	Proposed Rates	240	266.40
4			
5	Multiply by 12 months	12	12
6			
7	Annualized Revenues:	2,880.00	3,196.80
8			
9	Less: Per-book Revenues:	(216.00)	(240.00)
10			
11	Proposed Increase	2,664.00	2,956.80
12			
13	Adjustment Numbers to Exhibit A:	(25)	(26)
14			
15			
16		WATER	SEWER
17	<u>Pool with showers and baths</u>	<u>INCREASE</u>	<u>INCREASE</u>
18			
19	125 Capacity X 10 Gallons/Day = 1,250 Divided by 400 =	3.13 SFEs	3.13 SFEs
20			
21	Multiply by Proposed Monthly Rate:	\$80.00	\$88.80
22			
23	Monthly Proposed Rate:	\$250.40	\$278
24			
25	Multiply by 6 months:	6	6
26			
27	Proposed Annual Revenues:	\$1,503	\$1,668
28			
29	Less: Per-Book Adjustments:	(216)	(240)
30	Total Proposed Increase	1,287.00	1,428.00
31	Adjustment Numbers to Exhibit A:	(25)	(26)
32			
33			
34	<u>Assembly Hall (200 seats)</u>	AMOUNT	AMOUNT
35		\$	\$
36	Proposed Revenues (2 1/2 SFEs)	\$200	\$222
37			
38	Multiply by 12 months:	12	12
39			
40	Annualized Revenues	2,400	2,664
41			
42	Less: Per-book Revenues:	(216)	(240)
43			
44	Proposed Increase	\$2,184	\$2,424
45			
46	Adjustment Numbers to Exhibit A:	(25)	(26)
47			

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PROPOSED INCREASE
FOR THE TEST PERIOD ENDED 12/31/05

LINE NO.		PROPOSED WATER INCREASE	PROPOSED SEWER INCREASE
1			
2	House (Manager)		
3		\$	\$
4	Proposed Rates	80.00	88.80
5			
6	Multiply by 12 months:	12	12
7			
8	Annualized Revenues	960.00	1,065.60
9			
10	Less: Prior Adjustments	(216.00)	(240.00)
11			
12	Proposed Increase:	744.00	825.60
13			
14	Adjustment Numbers to Exhibit A:	(25)	(26)
15			
16			
17			
18			
19			
20			

**WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PROPOSED INCREASE
FOR THE TEST PERIOD ENDED 12/31/05**

**MAREADY
EXHIBIT A-2
PAGE 15**

OTHER COMMERCIAL PROPERTIES

	WATER REVENUE	SEWER REVENUE
1 Century 21 Sales Office		
2	\$	\$
3 Proposed Revenue	80.00	88.80
4		
5 Multiply by 12 Months:	12	12
6		
7 Annualized Revenues	960.00	1,065.60
8		
9 Less: Per-book Revenues	(216.00)	(240.00)
10		
11 Proposed increase	744.00	825.60
12		
13 Adjustment Numbers to Exhibit A:	(27)	(28)
14		
15		
16 Palms Restaurant (208 Seats)		
17		
18 Monthly proposed Rates	80.00	88.80
19		
20 Multiply by Number of SFEs	20.8	20.8
21		
22 Total monthly Revenues	1,664.00	1,847.04
23		
24 Multiply by 12 months:	12	12
25		
26 Total Annualized revenues:	19,968.00	22,164.48
27		
28 Less: Per-books	(216.00)	(240.00)
29		
30 Amount of Proposed Increase:	19,752.00	21,924.48
31		
32 Adjustment Numbers to Exhibit A:	(27)	(28)
33		
34 Deercreek Home Owners Assoc.		
35 Water Only		
36		
37 Monthly proposed Rate	80.00	0
38		
39 Multiply by 12 months:	12	
40		
41 Total annualized revenues:	960.00	
42		
43 Less Per-Book revenues	-216	
44		
45 Total proposed increase:	744.00	
46		
47 Adjustment Numbers to Exhibit A:	(27)	

**WYBOO PLANTATION UTILITIES
ADJUSTMENTS TO PROPOSED REVENUES
FOR THE TEST PERIOD ENDED 12/31/05**

**MAREADY
EXHIBIT A-2
PAGE 16**

**OTHER COMMERCIAL PROPERTIES
CONTINUED**

	WATER	SEWER
1 Deercreek HOA Pool		
2 Capacity of Pool, Number of People:	210	210
3 Multiply by 10 GPD	10	10
4 Total	2,100	2,100
5 Divide by 1 SFE	400	400
6 Equivalent SFEs	5.25	5.25
7		
8 Monthly SFE rate =	\$80.00	\$88.80
9		
10 Monthly Revenues	\$420	466.20
11		
12 Multiply by 12 Months	6	6
13		
14 Proposed Annualized Increase	\$2,520	\$2,797
15		
16 Adjustment Numbers to Exhibit A:	(27)	(28)
17		
18		
19		
20 Liquor Store with rest room	WATER	SEWER
21	REVENUES	REVENUES
22 Proposed Revenues	\$ 80.00	\$ 88.80
23		
24 Multiply by 12 months	12	12
25		
26 Total Annualized Revenues:	960.00	1,065.60
27		
28 Less: Per-book Adjustments	(216.00)	(240.00)
29		
30 Total proposed Increase:	744.00	825.60
31		
32 Adjustment Number to Exhibit A:	(27)	(28)
33		
34 Golf Club	WATER	SEWER
35	REVENUES	REVENUES
36 Proposed Monthly Revenues	\$80.00	\$88.80
37		
38 Multiply by 12 months	12	12
39		
40 Total annualized Revenues:	960.00	\$1,065.60
41		
42 Less per-book Adjustments	(216.00)	(240.00)
43		
44 Total proposed increase:	744.00	825.60
45		
46 Adjustment Numbers to Exhibit A:	(27)	(28)
47		

WYBOO PLANTATION UTILITIES, INC
ADJUSTMENTS TO PROPOSED REVENUES
FOR THE TEST PERIOD ENDED 12/31/05

LINE
NO. WPHOA PROPOSED INCREASES

1	<u>Assembly Hall (200 seats)</u>	WATER	SEWER
2		REVENUES	REVENUES
3		\$	\$
4	Monthly Proposed Rate (2 1/2 SFEs)	<u>200</u>	<u>222</u>
5			
6	Multiply by 12 months	<u>12</u>	<u>12</u>
7			
8	Annualized Revenues	2,400.00	2,664.00
9			
10	Less: Adjustments to per-books	<u>(216.00)</u>	<u>(240.00)</u>
11			
12	Total proposed increase	<u>2,184.00</u>	<u>2,424.00</u>
13			
14	Adjustment Numbers to Exhibit A:	(29)	(30)
15			
16	<u>Pool</u>		
17			
18	65 Capacity X 10 Gallons/Day = 650 Divided by 400 =	1.63 SFEs	1.63 SFEs
19			
20	Multiply by Proposed Monthly Rate:	<u>\$80.00</u>	<u>\$88.80</u>
21			
22	Monthly Proposed Rate:	130.40	144.70
23			
24	Multiply by 6 Months	<u>6</u>	<u>6</u>
25			
26	Total Annual Cost - Six Months:	<u>\$782</u>	<u>\$868</u>
27	Adjustment Numbers to Exhibit A:	(29)	(30)
28			
29	<u>Community gardens (Water only)</u>		
30	Proposed monthly rate:	80.00	
31			
32	Multiply by 12 months	<u>12</u>	
33			
34	Total annualized revenues:	960.00	
35			
36	Less: per-book	<u>(60.00)</u>	
37			
38	Total proposed increase:	<u>900.00</u>	
39			
40	Adjustment Number to Exhibit A:	(29)	
41			
42	<u>Maintenance Shed (Water Only)</u>		
43	Proposed Monthly Revenues	80.00	
44			
45	Multiply by 12 months:	<u>12</u>	
46			
47	Total annualized Revenues	960.00	
48			
49	Less: Per book adjustment	<u>(216.00)</u>	
50			
51	Total proposed adjustment	<u>744.00</u>	
52	Adjustment Number to Exhibit A:	(29)	

WYBOO PLANTATION UTILITIES, INC
ADJUSTMENT TO PROPOSED INCREASE
FOR THE TEST PERIOD ENDED 12/31/05

MAREADY
EXHIBIT A-2
PAGE 18

WPHOA PROPOSED INCREASES
CONTINUED

LINE Irrigation (4 Common Areas) NO. (Water only)		WATER REVENUE \$	SEWER REVENUE \$
1	Proposed monthly rate	25.00	0
2			
3	Multiply by 4 areas	4	
4			
5	Total monthly revenues:	100.00	
6			
7	Multiply by 23 months	12	
8			
9	Total annualized revenues:	1,200.00	
10			
11	Less: Per-book adjustments	(240.00)	
12			
13	Total proposed increase	960.00	
14			
15	Adjustment Number to Exhibit A:	(29)	

**WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PROPOSED INCREASE
FOR THE TEST PERIOD ENDED 12/31/05****MOBILE HOME PARKS**

	WATER REVENUES
1 Cedar Hill Mobile Home Park	
2 <u>(Based on 3/4 SFE, Commercial)</u>	<u>\$</u>
3	
4 Monthly proposed Rate (3/4 X \$80)	60.00
5	
6 Number of connections	<u>42</u>
7	
8 Total monthly proposed revenues:	2,520.00
9	
10 Multiply by 12 months:	<u>12</u>
11	
12 Total proposed revenues:	30,240.00
13	
14 Less: Annualized per-book revenues	<u>(9,072.00)</u>
15	
16 Total proposed Increase	<u>21,168.00</u>
17	
18 Adjustment number Exhibit A:	(31)
19	
20	
21	
22	
23	
24 <u>Cedar Hills Mobile Home Park - Irrigation</u>	
25	
26 Irrigation Proposed Monthly Charge	\$15.00
27	
28 Multiply by number of customers:	<u>30</u>
29	
30 Total monthly revenues:	\$450.00
31	
32 Multiply by 12 months:	<u>12</u>
33	
34 Annualized Irrigation Revenues:	\$5,400
35	
36 Less: Per-Book Revenues:	<u>(1,798)</u>
37	
38 Proposed Increase to Irrigation Revenues:	<u>\$3,602</u>
39	
40 Adjustment number to Exhibit A:	(32)
41	
42	

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS TO PROPOSED INCREASE
FOR THE TEST PERIOD ENDED 12/31/06

LINE
NO.

MOBILE HOME PARKS

WATER
REVENUES

1	Granada Mobile Home Park	
2	(Based on 3/4 SFE, Commercial)	
3		\$
4	Monthly proposed Rate (3/4 X \$80)	\$60.00
5		
6	Number of Connections	61
7		
8	Total monthly proposed revenues:	3,660.00
9		
10	Multiply by 12 months:	12
11		
12	Total proposed revenues:	43,920.00
13		
14	Less: Annualized per-book revenues	(13,176.00)
15		
16	Total proposed Increase	30,744.00
17		
18	Adjustment number to Exhibit A:	(33)
19		
20		
21		
22		
23	<u>Granada Mobile Home Park</u>	
24		
25	Irrigation Proposed Monthly Rate	\$15.00
26		
27	Multiply by number of customers	38
28		
29	Total monthly revenue	570.00
30		
31	Multiply by 12 months:	12
32		
33	Annualized Irrigation Revenues	6,840
34		
35	Less: Per-book Revenues	(2,275)
36		
37	Proposed Increase to Irrigation Revenues:	4,565
38		
39		
40	Adjustment number to Exhibit A:	(34)

Pools and Irrigation 22

WYBOO PLANTATION UTILITIES, INC.
ADJUSTMENTS FOR PROPOSED INCREASES
FOR THE TEST PERIOD ENDED 12/31/05

LINE
NO

1	<u>POOLS</u>	
2		
3	Size 20' X 15' X 5' -	1,500 Cubic Feet
4		
5	Gallons per cubic feet	<u>7.48</u>
6		
7	Total gallons per pool:	11,220
8		
9	Cost per gallon:	<u>\$0.0035</u>
10		
11	Total cost for annual fillup of pool	39.27
12		
13	Add monthly charge: \$25 for 6 months	<u>150.00</u>
14		
15	Total annual cost per pool	189.27
16		
17	Multiply by number of pools:	<u>13</u>
18		
19	Total cost for 13 pools	<u><u>2,460.51</u></u>
20		
21	Use for total Revenues:	<u><u>\$2,461</u></u>
22		
23	ADJUSTMENT NUMBER TO EXHIBIT A:	(35)
24		
25		
26	<u>IRRIGATION CUSTOMERS</u>	
27		
28	Proposed cost per month:	\$25.00
29		
30	Multiply by 12 months	<u>12</u>
31		
32	Total cost per year per customer	\$300.00
33		
34	Multiply by number of customers:	<u>93</u>
35		
36	Total proposed irrigation Revenues	\$27,900.00
37		
38	Less: Adjustments	<u>(5,580.00)</u>
39		
40	Adjustment to Irrigation Customers:	<u><u>\$22,320.00</u></u>
41		
42	Adjustment Number to Exhibit A:	(36)

WYBOO PLANTATION UTILITIES, INC.
PROFORMA AND ACCOUNTING ADJUSTMENTS
FOR THE TEST PERIOD ENDING 12/31/95

LINE
NO.

	AMOUNT
1	
2	\$
3	
4 Proposed Increase, Exhibit A, Page	553,996
5 2, Line 70, Column 4	
6	
7 Uncollectible Rate	0.035
8	
9 Uncollectibles for the Proposed	19,390
10 Net Increase to Revenues:	
11	
12 Adjustment Number to Exhibit A:	(37)

WYBOO PLANTATION UTILITIES, INC.
TAXES
FOR THE TEST PERIOD ENDED 12/31/05

1	<u>GROSS RECEIPTS TAXES</u>		
2			
3	Proposed Net Increase, Line 72,		\$534,606
4	Column (4), Exhibit A, Page 2 of 3		
5			
6	Gross Receipts Tax Rate		<u>0.0071</u>
7			
8	Proposed increase to Gross Receipts		<u>\$3,796</u>
9	Taxes		
10	Adjustment Number to Exhibit A:		(38)
11			
12			
13		AMOUNT	INCOME
14	<u>Income Taxes - State and Federal</u>	<u>\$</u>	<u>TAXES</u>
15			
16			
17	Gross Revenues, Column 5, Line 22,	705,608	
18	Page Number 2 of 10, Information		
19	Number 5:		
20			
21	Less: Proposed Expenses, Column 3,	(473,865)	
22	Line 39, Page Number 2 of 10.		
23	Information Number 5:		
24			
25	Less: Proposed Gross Receipts Tax,	(3,796)	
26	Line 35, Column 4, Page 2 of 10,		
27	Information Number 5:		
28			
29	Less: Proposed Interest Expense	(69,175)	
30	Line 43, Column 3, Page 2 of 10,		
31	Information Number 5:		
32			
33	Total Taxable Income:	158,772	
34			
35	Income Taxes, 1st bracket:	(50,000)	9,625
36	(19.25%)		
37	Income Taxes, 2nd Bracket	(25,000)	7,175
38	(28.7%)		
39			
40	Balance of 3rd bracket:	83,772	
41			
42	Composite Rate for balance:	<u>0.373</u>	
43			<u>31,247</u>
44			
45	Total Proposed Income Taxes:		<u>48,047</u>
46			
47	Adjustment Number to Exhibit A:		(39)

WYBOO PLANTATION UTILITIES, INC.
COMPARATIVE INCOME STATEMENTS
FOR THE YEARS ENDING DECEMBER 31,

	<u>YEAR 2005</u>	<u>YEAR 2004</u>	<u>INCREASE (DECREASE)</u>
	<u>AMOUNT</u>	<u>AMOUNT</u>	<u>AMOUNT</u>
	<u>\$</u>	<u>\$</u>	<u>\$</u>
GROSS REVENUES	204,217	190,951	13,266
LESS: Returns and Allowances	(1,528)	(65)	(1,463)
TOTAL NET REVENUES:	202,689	190,886	11,803
TOTAL OPERATING EXPENSES:			
Salaries and Wages	50,488	50,582	(94)
Maintenance and Repairs	40,983	32,937	8,046
Utilities	26,720	13,766	12,954
Office Supplies and Expenses	17,170	22,879	(5,709)
DHEC Testing Expenses	12,066	9,666	2,400
Alarm (Security) System	4,744	5,615	(871)
Contract Services	10,795	12,303	(1,508)
Insurance	8,217	5,918	2,299
Depreciation	11,435	11,720	(285)
Taxes and Licenses	5,747	5,881	(134)
Gross Receipts Taxes	0	0	0
Interest	32,768	20,757	12,011
Rents		5,255	(5,255)
Bad Debts, NSF, & Returned Checks		5,513	(5,513)
Sales Tax		898	(898)
TOTAL OPERATING EXPENSES:	221,133	203,690	17,443
TOTAL OPERATING INCOME (LOSS)	(18,444)	(12,804)	5,465

Source: Income Taxes

I/S 2004 Excel

**BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2005-13-W/S**

IN RE:

Application of Wyboo Plantation
Utilities, Inc. for adjustment of rates and
charges for the provision of water and
sewer service

CERTIFICATE OF SERVICE


This is to certify that I have caused to be served this day, one (1) copy of the **Prefiled Testimony of Joe Maready** via electronic mail service and by placing a copy of same in the care and custody of the United States Postal Service (unless otherwise specified), with proper first-class postage affixed hereto and addressed as follows:

Jocelyn G. Boyd, Esquire
Hearing Officer
South Carolina Public Service Commission
Post Office Drawer 11649
Columbia, South Carolina 29211

Wendy Cartledge, Esquire
C. Lessie Hammonds
Office of Regulatory Staff
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Columbia SC 29205

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Sowell Gray Stepp & Laffitte, LLC
PO Box 11449
Columbia SC 29211


Carol Roof, Paralegal

October 25, 2006
Columbia, South Carolina